

Economic Development Incentives



City Council Budget Goal Setting Session
June 8, 2016

Tax Abatement

- Acts as the overarching incentive policy for all other EDD incentives focusing on
 - Competing for Targeted Industry jobs and investment
 - Ensuring wage standards to raise the household income
 - Targeted area redevelopment (ICRIP, etc.)
- By State mandate Guidelines must be reauthorized by City Council every two years
 - December updates will include
 - Living Wage and All-Industry Wage adjustments
 - Congruence with the SA Tomorrow Comprehensive Plan
 - Clawback/recapture provisions extending 4-6 years beyond benefit to company



EDIF

- **Economic Development Incentive Fund (EDIF) - \$1.7M**
 - Financial incentives in the form of economic development grants and/or loans with a focus on high-wage jobs and investment.
 - Update to the EDIF Guidelines will provide:
 - A focus on workforce development and entrepreneurial development.
 - Congruence with the SA Tomorrow Comprehensive Plan



SAEDC

- **San Antonio Economic Development Corporation (SAEDC) - \$500,000**
 - Designed to support the development and/or attraction of ventures and startups developing new technologies and products to create high-wage jobs and help grow the city's entrepreneurial talent and research capacity.
 - Allow equity investment in a private company with a goal to realize self-sustaining fund for future investment.
 - Funds are granted annually from the EDIF to the SAEDC for investment.
 - Sample Projects include:
 - InCube Labs
 - University of Texas Health Science Center



Center City Housing Incentive Policy (CCHIP)

- Adopted in 2012 to stimulate high-density Center City housing development
- Eligible projects may receive city fee waivers (**\$2 million budgeted**), SAWS impact fees (**\$3 million budgeted**), real property tax reimbursement grants, low-interest loans, and mixed-use development forgivable loans



Center City Housing Incentive Policy (CCHIP)

- 43 CCHIP housing projects resulting in the creation of 4,292 units (either complete, in design, or under construction)
 - Of these, 2,718 contribute to 2020 housing goal of 7,500 new downtown housing units
- Total Private Investment - \$708 million
- Total City incentives - \$53 million

